

the forms of customer approval in connection with section 274(c)(2)(A) activities?

As AT&T has urged, section 222(c) does not permit the use of CPNI for the marketing of non-telecommunications services such as electronic publishing without customer approval. See AT&T, p. 24. The principal dispute here is over the level of approval that BOCs must receive in order to use or disclose CPNI to or on behalf of an electronic publishing venture. The RBOCs assert that implied authority or negative opt-outs are sufficient.⁴³ However, requiring BOCs to secure affirmative written consent would better balance the BOCs' nondiscrimination duties, competitive concerns, and consumer privacy. AT&T, p. 24. In all events, whatever form of approval is sufficient for the BOCs to disclose or use CPNI, unaffiliated entities must be given access to the CPNI based on the same form of approval. Section 222(d)(3) does not change this conclusion: if BOCs secure on-line authorization, they must make the CPNI available to unaffiliated entities at the same time and in the same manner as they employ that information for their electronic publishing ventures.

19. Must a BOC that solicits customer approval, whether oral, written, or opt-out, on behalf of its separated affiliate or electronic publishing joint venture also offer to solicit that approval on behalf of unaffiliated entities? That is, must the BOC offer an "approval solicitation service" to unaffiliated electronic publishers when it provides such a service for its section 274 separated affiliates, electronic publishing joint ventures, or affiliates under section 274(c)(2)(A)? What impact, if any, does section 222(d)(3) have on the BOC's obligations under section 274(c)(2)(A) with regard to the solicitation of a customer's approval during a customer-initiated call? What specific steps, if

⁴³ U S WEST, p. 30; BellSouth, p. 29; Pacific, p. 25; BA/NYNEX, p. A-9.

any, must a BOC take to ensure that any solicitation it makes to obtain customer approval does not favor its section 274 separated affiliates or electronic publishing joint ventures or affiliates over unaffiliated entities? If the customer approves disclosure to both the BOC's section 274 separated affiliates or electronic publishing joint ventures or affiliates and unaffiliated entities, must a BOC provide the customer's CPNI to the unaffiliated entities on the same rates, terms, and conditions (including service intervals) as it provides the CPNI to its section 274 separated affiliates or electronic publishing joint ventures or affiliates?

If the BOC solicits approvals for CPNI disclosure to its separated affiliate or joint venture, it can fulfill its nondiscrimination obligation only by simultaneously securing approvals for disclosure to unaffiliated entities. See Responses to Questions 14 and 18; see also Responses to Question 1, 4 and 6.

20. To the extent that sections 222(c)(1) and 222(d)(3) require customer approval, but not an affirmative written request, before a carrier may use, disclose, or permit access to CPNI, must a BOC disclose CPNI to unaffiliated electronic publishers under the same standard for customer approval as is permitted in connection with its section 274 separated affiliate, electronic publishing joint venture, or affiliate under section 274(c)(2)(A)? If, for example, a BOC may disclose CPNI to its section 274 separated affiliate pursuant to the customer's oral or opt-out approval, is the BOC required to disclose CPNI to unaffiliated entities upon the customer's approval pursuant to the same method?

See Responses to Questions 14, 15 and 18; see also Responses to Questions 1, 4 and 6.

(ii). Section 274(c)(2)(C) -- Teaming or Business Arrangements

21. Must a BOC, that is engaged in a teaming or business arrangement under section 274(c)(2)(B) with "any separated affiliate or with any other electronic publisher," obtain customer approval before using, disclosing, or permitting access to CPNI for such entities? What forms of customer approval (oral, written, or opt-out) would be necessary to permit a BOC to use a customer's CPNI on behalf of each of these entities in this situation?

See Responses to Questions 14, 15 and 18; see also Responses to Questions 1 and 4.

22. Must a BOC that solicits customer approval, whether oral, written, or opt-out, on behalf of any of its teaming or business arrangements under section 274(c)(2)(B) also offer to solicit that approval on behalf of other teaming arrangements and unaffiliated electronic publishers? That is, must the BOC offer an "approval solicitation service" to unaffiliated electronic publishers and teaming arrangements when it provides such a service for any of its teaming or business arrangements under section 274(c)(2)(B)? If so, what specific steps, if any, must a BOC take to ensure that any solicitation it makes to obtain customer approval does not favor its electronic publishing teaming or business arrangements over unaffiliated entities? If the customer approves disclosure to both the BOC's electronic publishing teaming or business arrangements and unaffiliated entities, must a BOC provide the customer's CPNI to the unaffiliated entities on the same rates, terms, and conditions (including service intervals) as it provides the CPNI to its electronic publishing teaming or business arrangements?

See Responses to Questions 6, 14 and 19.

23. To the extent that sections 222(c)(1) and 222(c)(2) require customer approval, but not an affirmative written request, before a carrier may use, disclose, or permit access to CPNI, must a BOC disclose CPNI to unaffiliated electronic publishers under the same standard for customer approval as is permitted in connection with its teaming or business arrangements under section 274(c)(2)(B)? If, for example, a BOC may disclose CPNI to a section 274 separated affiliate with which the BOC has a teaming arrangement pursuant the customer's oral or opt-out approval, is the BOC likewise required to disclose CPNI to unaffiliated electronic publishers or teaming arrangements upon obtaining approval from the customer pursuant to the same method?

See Responses to Questions 14, 15 and 18; see also Responses to Questions 1 and 4.

D. Other Issues

24. Does the seeking of customer approval to use, disclose, or permit access to CPNI for or on behalf of its section 274 separated affiliate or electronic publishing joint venture constitute a "transaction" under section 274(b)(3)? If so, what steps, if any, must the BOC and its section 274 separated affiliate or electronic publishing joint venture take to comply with the requirements of section 274(b)(3) for purposes of CPNI?

See Response to Question 10.

* * *

AT&T therefore urges the Commission to adopt the rules that AT&T proposed in its March 17, 1997 comments in response to Question 26, to reflect the interplay between sections 222 and 274.

CONCLUSION

The Commission should construe sections 222, 272 and 274 of the 1996 Act as suggested herein and in AT&T's March 17, 1997 comments to preserve legitimate consumer privacy interests and protect fair competition.

Respectfully submitted,

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APPENDIX A

LIST OF COMMENTERS
CC Docket 96-115

AirTouch Communications, Inc. ("AirTouch")
ALLTEL Telephone Service Corporation ("ALLTEL")
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Bell Atlantic and NYNEX ("Bell Atlantic/NYNEX")
BellSouth Corporation ("BellSouth")
People of the State of California and the Public Utilities
Commission of the State of California ("California")
Cincinnati Bell Telephone Company ("CBT")
Competition Policy Institute ("CPI")
Cox Enterprises, Inc. ("Cox")
Directory Dividends, Inc. ("Directory Dividends")
MCI Telecommunications Corp. ("MCI")
National Telephone Cooperative Association and Organization
for the Promotion and Advancement of Small Telephone
Companies ("NCTA/OPASTCO")
State of New York Department of Public Service ("NYDPS")
Pacific Telesis Group ("Pacific")
SBC Communications Inc. ("SBC")
The Southern New England Telephone Company ("SNET")
Sprint Corporation ("Sprint")
Telecommunications Resellers Association ("TRA")
United States Telephone Association ("USTA")
U S WEST, Inc. ("U S WEST")
WorldCom, Inc. ("WorldCom")

APPENDIX B

1310 North Court House Road, 6th Floor
Arlington, Virginia 22201

Bell Atlantic® Plus
rewards



as one of our best customers, you deserve something special.

Because you're one of our most valued customers, we're inviting you to join *Bell Atlantic Plus Rewards*. This is an opportunity for us to give you something back for using Bell Atlantic services.

Earn points toward cash-back rewards by doing what you do every day.

What does *Bell Atlantic Plus Rewards* mean for you? It means you can earn points based on the Bell Atlantic portion of your phone bill every month. Then you can use these points to get cash back toward your phone bill. It's like getting free services. And it won't be long before we announce additional rewards.

Best of all, you don't have to do anything new or different to enjoy *Bell Atlantic Plus Rewards*. You earn your rewards for doing what you do every day — using your Bell Atlantic telephone services. And it doesn't cost you anything to enroll.

Here's how it works: You earn 10 points per dollar every month the Bell Atlantic portion of your bill* is \$40 or more.

TYPICAL MONTHLY CHARGES AND REWARDS	
Local Telephone Service	\$15.00
Bell Atlantic Toll Calls	\$22.00
Caller ID Deluxe	\$ 7.50
Call Waiting	\$ 4.00
Return Call	\$ 2.00
Total Bell Atlantic charges	\$50.50
	x 10 points per dollar spent
Total points earned	505 Rewards points

In the example at right, you'd earn 505 points toward cash back on your phone bill. And from time to time, we'll offer you special opportunities to earn bonus points, so your points will add up even faster.

Sign up by October 31st and earn double points for your first three months.

If you sign up now, we'll give you double points on the Bell Atlantic portion of your telephone bills for the first three months you participate. Using the example above, you'd earn 1,010 points instead of 505 points.

(over, please)

Please detach here before mailing in the enclosed postage-paid envelope.

BELL ATLANTIC PLUS REWARDS ENROLLMENT FORM

☒ **sign me
up.**

I want to start earning points in Bell Atlantic Plus Rewards.
Enroll me right away.

To make sure we keep you informed about exciting new Bell Atlantic services, please sign the statement on the reverse side.

And since it only takes 2,000 points to claim your first reward, you'd be able to claim your first reward in just two months. Those 2,000 points are redeemable for \$10 cash back on your Bell Atlantic phone bill.**

After you enroll, we'll send you a membership kit that will give you all the details about how you can earn points and claim your rewards. We'll also send you quarterly statements regarding your point balance. If you have any questions in the meantime, call 1 800 986-2768 between 8 A.M. and 9 P.M., Monday through Friday.

To sign up and begin earning points right away, simply return the enrollment form below in the postage-paid envelope we've enclosed. Or fax it to 1 800 443-6361. While you're at it, please sign the statement below. This will help us keep you informed about the exciting new services Bell Atlantic intends to offer in the future, like long distance and video entertainment. (Please note that your signature is not required for enrollment.)

We look forward to welcoming you as a member of Bell Atlantic Plus Rewards.

Sincerely,



David Heyman
Program Director

P.S. Remember, if you sign up for Bell Atlantic Plus Rewards by October 31, 1996, we'll double your points for your first three telephone bills. So you'll earn cash back toward your phone bill even faster. Don't delay. Return the enrollment form today. Or fax it to us at 1 800 443-6361.

*Including Bell Atlantic-Maryland, Inc. residential telephone services and calls within your Regional Calling Area after applicable discounts, but excluding taxes, one-time charges and long distance service or equipment provided by other companies. Interstate, Bell Atlantic regional toll calls do not qualify for Rewards, but do count toward the \$40 minimum requirement to earn Rewards.

**Points will be redeemed in the form of a check sent to you and made payable to Bell Atlantic. Checks must be included with payment of your bill and will have an expiration date of six months after issuance. You must call or write in to request your check. You may also write in to get information regarding your point balance. Address your inquiries to: Bell Atlantic Plus Rewards, P.O. Box 467, Milford, OH 45150. Please allow up to 10 weeks after your billing date for points to be posted. No enrollments will be accepted after January 31, 1997.

Consumer Information:

Services provided by Bell Atlantic-Maryland, Inc. in accordance with filed and effective tariffs. Services available to residential customers only. Other restrictions apply. Points must be redeemed within two years of being earned. Double-points offer good through October 31, 1996. Bell Atlantic reserves the right to terminate this program upon 60 days written notice. Customers may enroll from 8/12/96 through 1/31/97. Program in effect from 8/12/96 to 7/31/97.

please sign and return this statement in the enclosed envelope.

The recently enacted Telecommunications Act of 1996 restricts the use and disclosure of information about your Bell Atlantic telecommunications service. Except with your approval or as permitted by law, a Bell Atlantic telephone company may not use or disclose to other persons billing and other information about the telecommunications service you receive from it for purposes other than provision of that telecommunications service.

To help us make you aware of other services and products that the Bell Atlantic telephone companies or their affiliated companies may offer now or in the future, we ask for your permission to review, use and share with one another information about the telecommunications services you receive from us (including billing information). Such future services may include telephone equipment and voice messaging, long distance, information and entertainment services. Of course, you may withdraw your consent at any time by calling 1 800 986-2768 before July 31, 1997. Thereafter, you may withdraw your consent by writing to Bell Atlantic Plus Rewards, 1310 North Court House Road, 6th Floor, Arlington, VA 22201.

By signing below, I agree that the Bell Atlantic telephone companies and their affiliated companies may review, use and share with one another information about any of the telecommunications services they provide to me. **This does not authorize the Bell Atlantic telephone companies or their affiliated companies to share information about my telecommunications services with any unaffiliated person.** Of course, I may withdraw my consent at any time by calling 1 800 986-2768 before July 31, 1997. Thereafter, I may withdraw my consent by writing to Bell Atlantic Plus Rewards, 1310 North Court House Road, 6th Floor, Arlington, VA 22201.

Signature _____

Date _____

 **Bell Atlantic**
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CERTIFICATE OF SERVICE

I, Peter D. Keisler, do hereby certify that a true copy of the foregoing Reply Comments of AT&T Corp. was served this 27th day of March, 1997, by United States mail, first class, postage prepaid, upon the parties listed on the attached Service List.

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